



UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK  
- - - - - x

UNITED STATES OF AMERICA :  
- v. - :  
CONSTANTINE GIANNAKOS, :  
Defendant. :  
- - - - - x

INFORMATION

S2 09 Cr. 940 (TPG)

COUNT ONE

(Conspiracy to Commit Wire and Bank Fraud)

The United States Attorney charges:

THE SCHEME TO DEFRAUD

1. As set forth more fully below, from at least in or about February 2004 through at least in or about December 2008, CONSTANTINE GIANNAKOS, the defendant, a real estate attorney, and others known and unknown, engaged in an illegal scheme to defraud lenders by preparing and submitting applications and supporting documentation for home mortgage loans that contained materially false or misleading information, in order to induce lenders to make loans to persons and at terms that the lenders otherwise would not have funded. Through this scheme, GIANNAKOS and his co-conspirators obtained several home mortgage loans under false and fraudulent pretenses, with a total face value of millions of dollars, some of which are now in default and/or foreclosure.

2. In furtherance of the scheme to defraud, co-conspirators of CONSTANTINE GIANNAKOS, the defendant, identified properties for sale primarily in and around New York and New

Jersey (the "Target Properties"). GIANNAKOS's co-conspirators sought to obtain mortgages to purchase the target properties without having to create either any actual ownership interest in the properties or any obligation to repay the mortgages. To that end, GIANNAKOS's co-conspirators recruited individuals to act as purchasers of the target properties, when, in fact, those purchasers, or "straw buyers," relinquished their control over the target properties to GIANNAKOS's co-conspirators upon completion of the closing of the mortgage.

3. In furtherance of the scheme to defraud, CONSTANTINE GIANNAKOS, the defendant, and his co-conspirators prepared and submitted, and caused to be prepared and submitted to the lenders, loan applications and other documentation that purported to accurately represent the personal and financial information of each straw buyer. GIANNAKOS and his co-conspirators fraudulently improved the straw buyers' credit worthiness by falsifying personal and financial information about the straw buyers that was material to the lenders in making their lending decisions. GIANNAKOS and his co-conspirators thereby sought and obtained mortgages for the target properties at values that were in excess of the prices paid to the sellers (the "actual sale price"), and thus the properties' fair market values. The difference between the amount of the loans and the properties' actual sale price (the "spread") represented, in

part, GIANNAKOS's and his co-conspirators' profits from the scheme.

STATUTORY ALLEGATIONS

4. From at least in or about February 2004 through at least in or about December 2008, in the Southern District of New York and elsewhere, CONSTANTINE GIANNAKOS, the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to violate Title 18, United States Code, Sections 1343 and 1344.

5. It was a part and an object of the conspiracy that CONSTANTINE GIANNAKOS, the defendant, and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire and radio communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343.

6. It was further a part and an object of the conspiracy that CONSTANTINE GIANNAKOS, the defendant, and others known and unknown, willfully and knowingly would and did execute and attempt to execute a scheme and artifice to defraud financial

institutions, the deposits of which were then insured by the Federal Deposit Insurance Corporation ("FDIC"), and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such financial institutions, by means of false and fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1344.

OVERT ACTS

7. In furtherance of the conspiracy and to effect the illegal objects thereof, CONSTANTINE GIANNAKOS, the defendant, and others known and unknown, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. In or about March 2005, GIANNAKOS applied for a mortgage loan for the purchase of a property located at 62 Benton Hollow Road, Liberty, New York.

b. Also in or about March 2005, GIANNAKOS acted as settlement agent in connection with a mortgage loan for the purchase of a property located at 2205 Light Street, Bronx, New York.

c. In or about April 2005, GIANNAKOS acted as settlement agent in connection with a mortgage loan for the purchase of a property located at 361 Underhill Avenue, Bronx, New York.

d. In or about July 2005, GIANNAKOS acted as settlement agent in connection with a mortgage loan for the purchase of a property located at 1467 Rosedale Avenue, Bronx, New York.

e. In or about February 2006, GIANNAKOS acted as settlement agent in connection with a mortgage loan for the purchase of a property located at 44A Hampton Place, Brooklyn, New York.

f. In or about September 2006, GIANNAKOS acted as settlement agent in connection with a mortgage loan for the purchase of a property located at 164 Urban Avenue, Westbury, New York.

g. In or about May 2007, GIANNAKOS acted as settlement agent in connection with a mortgage loan for the purchase of a property located at 37-50 100th Street, Corona, New York.

h. In or about April 2008, GIANNAKOS acted as settlement agent in connection with a mortgage loan for the purchase of a property located at 16 Benedict Drive, Warwick, New York.

(Title 18, United States Code, Section 1349.)

COUNT TWO

(Wire Fraud re: 2205 Light Street, Bronx, New York)

The United States Attorney further charges:

8. The allegations set forth in paragraphs one through three and seven are incorporated by reference as if fully set forth herein.

9. In or about March 2005, in the Southern District of New York and elsewhere, CONSTANTINE GIANNAKOS, the defendant, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, did transmit and cause to be transmitted by means of wire and radio communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, GIANNAKOS submitted and caused to be submitted to Argent Mortgage Company LLC documents falsely stating, among other things, that a straw buyer -- who was the assistant of one of GIANNAKOS's co-conspirators (the "Assistant") -- had made a down payment that the Assistant had not in fact made, in order to procure a home mortgage loan in the amount of approximately \$319,500 for the Assistant's straw purchase of a property located at 2205 Light Street, Bronx, New York, which loan was funded by interstate wire.

(Title 18, United States Code, Sections 1343 and 2.)

COUNT THREE

(Wire Fraud re: 238 MacDonough Street, Brooklyn, New York)

The United States Attorney further charges:

10. The allegations set forth in paragraphs one through three and seven are incorporated by reference as if fully set forth herein.

11. In or about December 2006, CONSTANTINE GIANNAKOS, the defendant, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, did transmit and cause to be transmitted by means of wire and radio communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, GIANNAKOS submitted and caused to be submitted to America's Wholesale Lender ("AWL") fraudulent documents -- including a copy of a cashier's check that GIANNAKOS and his co-conspirators offered to AWL as evidence of part of the money due to the seller at closing, but was in fact redeposited into one of GIANNAKOS's co-conspirator's bank accounts -- in order to procure a home mortgage loan in the amount of approximately \$493,000 for a straw buyer's purchase of a property located at 238 MacDonough Street, Brooklyn, New York, which loan was funded by interstate wire.

COUNT FOUR

(Bank Fraud re: 16 Benedict Drive, Warwick, New York)

The United States Attorney further charges:

12. The allegations set forth in paragraphs one through three and seven are incorporated by reference as if fully set forth herein.

13. In or about April 2008, in the Southern District of New York and elsewhere, CONSTANTINE GIANNAKOS, the defendant, willfully and knowingly did execute and attempt to execute a scheme and artifice to defraud a financial institution, the deposits of which were then insured by the FDIC, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such financial institution, by means of false and fraudulent pretenses, representations and promises, to wit, GIANNAKOS submitted and caused to be submitted to Countrywide Bank F.S.B., documents falsely stating, among other things, the employment and income of a straw buyer ("Straw Buyer-1"), in order to procure a home mortgage loan in the amount of approximately \$576,000 for Straw Buyer-1's purchase of a property located at 16 Benedict Drive, Warwick, New York.

(Title 18, United States Code, Sections 1344 and 2.)

FORFEITURE ALLEGATION

14. As a result of committing one or more of the offenses alleged in Counts One, Two, Three, and Four of this

Information, CONSTANTINE GIANNAKOS, the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982, and Title 28, United States Code, Section 2461, any property constituting or derived from proceeds obtained directly or indirectly as a result of those offenses.

SUBSTITUTE ASSET PROVISION

15. If any of the above-described forfeitable property, as a result of any act or omission of CONSTANTINE GIANNAKOS, the defendant,
  - a. cannot be located upon the exercise of due diligence;
  - b. has been transferred or sold to, or deposited with, a third person;
  - c. has been placed beyond the jurisdiction of the Court;
  - d. has been substantially diminished in value; or
  - e. has been commingled with other property which cannot be subdivided without difficulty,it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b), and Title 21, United States

Code, Section 853(p), to seek forfeiture of any other property of GIANNAKOS up to the value of the above forfeitable property.

(Title 18, United States Code, Sections 981(a)(1)(C) and 982; Title 21, United States Code, Section 853(p); and Title 28, United States Code, Section 2461.)

  
Preet Bharara  
PREET BHARARA  
United States Attorney

Form No. USA-33s-274 (Ed. 9-25-58)

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(18 U.S.C. §§ 1343, 1344, 1349, and 2)

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PREET BHARARA  
United States Attorney

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